

### **REMARKS**

The Office Action of July 26, 2004, has been reviewed, and in view of the following remarks, reconsideration and allowance of all of the claims pending in the application are respectfully requested.

Claims 5, 10, 91, 92, 146-154 and 156-157 have been previously cancelled. The Office Action has continued to fail to address pending claim 145. Claim 145 is not rejected over any reference of record. Further, there is no mention of the subject matter of claim 145 in the Office Action of July 26, 2004. Applicants have raised this issue in response of October 30, 2003 Office Action as well as in the Appeal Brief submitted on January 30, 2004. The Examiner has remained silent in response and has made no effort whatsoever to address pending claim 145. For at least these reasons, it is believed that claim 145 contains allowable subject matter.

#### **Rejections Under 35 U.S.C. § 102(e)**

Claims 1-4, 6-9, 11-90, 93-144 and 155 are currently rejected under 35 U.S.C. § 102(e) as being allegedly anticipated by U.S. Patent No. 6,385,595 to Kolling *et al* (Kolling *et al*). The Office Action alleges that Kolling *et al* teaches the combination of claim limitations as recited by Applicants.

Kolling *et al* applied in this Office Action is a continuation of U.S. Patent No. 5,963,925 to Kolling *et al* ("‘925 Kolling *et al*"). ‘925 Kolling *et al* was first applied in the first Office Action mailed November 13, 2002 where ‘925 Kolling *et al* was applied as a secondary reference in a 103 rejection (in combination with primary reference U.S. Patent No. 6,041,312 to Bickerton *et al*). In response to Applicants’ arguments, the Examiner subsequently withdrew the ‘925 Kolling *et al* reference and found Applicants’ arguments against the ‘925 Kolling *et al*

reference convincing (see Office Action mailed April 7, 2003, page 2). The currently applied Kolling *et al* reference is a continuation of '925 Kolling *et al* containing essentially the *same* specification. The Examiner is now applying essentially the same disclosure under a 102(e) rejection that has already been determined as immaterial as a teaching reference in a 103 rejection in the Office Action mailed November 13, 2002. It is further noted that the currently pending claims have been amended since the November 13, 2002 Office Action, which makes the application of Kolling *et al* even more inappropriate and perplexing.

For a proper rejection under 35 USC § 102(e), the Office Action must show each and every claim limitation disclosed in a single reference. The Office Action has completely failed to make a proper showing. Therefore, the rejections are improper and should be withdrawn.

A system of an embodiment of the present inventions accommodates and facilitates a wide range of commercial arrangements between system participants concerning the conversion of debt obligations into electronic promissory notes. For example, a creditor participant on an electronic invoice can specify that confirmation causes the invoice to become automatically an electronic promissory note, which is freely transferable. In addition, a creditor participant and a debtor participant on an electronic invoice can agree that confirmation causes an electronic invoice to become automatically an electronic promissory note. Further, a debtor participant and a creditor participant can agree that after confirmation the electronic invoice remains a bilateral contract pursuant to which an electronic promissory note can be issued only after the debtor participant gives an additional consent. (page 51, lines 6-13 of specification).

In addition, authorization, when used in conjunction with electronic invoices, signifies that the debtor participant has authorized the invoice and agreed to a sum and date on which payment will be made to settle the debt obligation. (page 5, lines 21-23 of specification).

Further, confirmation means allow a creditor participant and a debtor participant to a transaction to confirm an electronic invoice, wherein confirmation signifies that the debt has become an independent payment obligation due on a date certain and free of any defenses to the underlying contract. Confirmed electronic invoices can be used by system participants for better cash flow forecasting, obtaining better lending rates from financial institutions, or access to other financing alternatives including the creation of electronic promissory notes, electronic bills of exchange, or electronic drafts. (page 5, line 24 - page 6, line 2 of specification).

The creditor participant holding electronic promissory notes can make them available for discounting or other financing transactions (e.g., secured lending) by third parties (e.g., banks, financial institutions, corporations), or can use them to settle other debt obligations to creditors. The system of an embodiment of the present inventions enables creditor participants to designate certain electronic promissory notes as available for discounting. (page 10 of specification).

According to one aspect of an embodiment of the present invention, claim 1 is directed to an electronic multiparty accounts receivable and accounts payable system for use by at least two system participants, including a creditor participant and a debtor participant.

Independent claim 1 recites “**electronic data storage means** for storing accounts receivable and accounts payable information concerning the system participants;” “**data entry means** for entering accounts receivable and accounts payable information reflecting debts owed to a creditor participant by a debtor participant into the electronic data storage means of the

electronic multiparty accounts receivable and accounts payable system;" **"electronic invoicing means** for constructing an electronic invoice reflecting amounts owed to the creditor participant by the debtor participant on one or more underlying contracts;" **"electronic invoice presentment means** for presenting the electronic invoice reflecting amounts owed to the creditor participant by the debtor participant for acceptance or rejection;" **"authorization means** for allowing the *debtor participant* to authorize the electronic invoice, *wherein the authorization signifies the debt reflected in the electronic invoice has become a payment obligation due on a date certain;*" and **"confirmation means** for allowing the *debtor participant* to confirm the electronic invoice without modification, wherein the *confirmation transforms the debt reflected in the electronic invoice owed by the debtor participant into an independent payment obligation due on a date certain for a sum certain and free of defenses to the underlying contract;*" *"wherein the creditor participant transfers the independent payment obligation due on the date certain for the sum certain to a third party entity as an electronic promissory note for settling a separate obligation between the creditor participant and the third party entity."*

In contrast, Kolling *et al* is directed to an electronic statement payment system for replacing preparation and mailing of paper statements and invoices from a biller with electronic delivery. The electronic statement presentment system allows billers to efficiently and cost effectively deliver electronic statements to respective consumers of their services and products. (col. 4, lines 11-16). The invention of Kolling *et al* is primarily directed to replacing printing, stuffing and mailing of paper statements with electronic delivery. (Abstract).

There is absolutely no disclosure in Kolling *et al* directed to allowing the *debtor participant* to confirm the electronic invoice without modification, wherein the *confirmation*

*transforms the debt reflected in the electronic invoice owed by the debtor participant into an independent payment obligation due on a date certain for a sum certain and free of defenses to the underlying contract*” and further provides for *wherein the creditor participant transfers the independent payment obligation due on the date certain for the sum certain to a third party entity as an electronic promissory note for settling a separate obligation between the creditor participant and the third party entity*. There is absolutely no discussion in Kolling *et al* or any effort by the Examiner to identify where or how Kolling *et al* discloses these claim limitations. Any discussion directed to a promissory note or equivalents thereof is completely lacking in Kolling *et al*. In fact, the Office Action merely copies independent claim 1, while ignoring the other independent claims and dependent claims of varying scope, and cites various figures and excerpts of the Kolling *et al* reference that all fail to address these claim limitations as well as the entire combination of claim limitations recited by Applicants.

In addition, independent claim 155 recites “*wherein the debtor participant electronically transmits amended data associated with the invoice concerning the debtor participant and the creditor participant wherein the amended data comprises one or more of modified payment amount, modified payment date and one or more proposed changes; wherein the creditor participant electronically receives the amended data and electronically performs a decision on the amended data for confirmation wherein the confirmation indicates an agreement concerning the amended data prior to execution of the invoice.*” Kolling *et al* fails to disclose, teach or suggest the collaboration functionality claimed by Applicants. Further, the Office Action makes no effort to address at least this combination of claim limitations.

As for the remaining dependent claims 2-4, 6-9, 13-20, 22-32, 34, 35, 37-42, 44-46, 51-83, 85-89, 93-96, 98-110, 112-145, the Office Action continues to provide only a cursory rejection of all the limitations of these dependent claims and continues to fail to set forth a basis for rejection of each dependent claim.<sup>1</sup> The Examiner is required to provide a basis for each and every claim limitation, as recognized in MPEP §§ 706.02(j) and 2143.03, and has continued to fail to do so here. Nevertheless, Applicants maintain that none of the references cited provide any disclosure, motivation or suggestion related to the limitations of claims 2-4, 6-9, 13-20, 22-32, 34, 35, 37-42, 44-46, 51-83, 85-89, 93-96, 98-110, 112-145. As Kolling *et al* fails to disclose, teach or suggest the claimed combination of limitations of independent claims 1, 11, 12, 21, 33, 36, 43, 47, 48, 49, 50, 84, 90, 97, 111 and 155, dependent claims 2-4, 6-9, 13-20, 22-32, 34, 35, 37-42, 44-46, 51-83, 85-89, 93-96, 98-110, 112-145 are similarly not taught or suggested by the references cited in the Office Action.

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<sup>1</sup> In the response of October 30, 2003 and Appeal Brief of January 30, 2004, Applicants have requested a complete and proper examination of all pending claims. However, the Examiner continues to ignore these requests and continues to fail to provide any proper grounds of rejections for these pending claims.

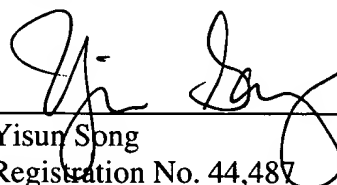
Appl. No. 09/638,560  
Amdt. dated September 29, 2004  
Reply to Office Action of July 26, 2004

**CONCLUSION**

It is respectfully submitted that this application is in condition for allowance and such disposition is earnestly solicited. If the Examiner believes that prosecution and allowance of the application will be expedited through an interview, whether personal or telephonic, the Examiner is invited to telephone the undersigned with any suggestions leading to the favorable disposition of the application.

It is believed that no fees are due for filing this Response. However, the Director is hereby authorized to treat any current or future reply, requiring a petition for an extension of time for its timely submission as incorporating a petition for extension of time for the appropriate length of time. Applicants also authorize the Director to charge all required fees, fees under 37 C.F.R. §1.17, or all required extension of time fees, to the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,



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